

PARAID MACHINING COMPANY LIMITED
FINANCIAL STATEMENTS
FOR
31ST DECEMBER 2001

Company Registration Number 3593826

DAVID EVANS & CO.

Chartered Accountants

Stowegate House

Lombard Street

Lichfield

Staffs

WS13 6DP



PARAID MACHINING COMPANY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

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PARAID MACHINING COMPANY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2001

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st December 2001.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of providing engineering support services.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At 31 December 2001	At 1 January 2001
Mrs H Scholes	A Shares	440	440
	B Shares	50	50
M Wallace	A Shares	100	100
	B Shares	50	50
B M Scholes	A Shares	<u>460</u>	<u>460</u>

The reporting accountants, David Evans & Co, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 3rd October 2001.

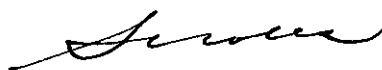
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Paraid House
Weston Road
Tyseley
West Midlands
B11 3RS

Signed by order of the directors



B M Scholes
Company Secretary

Approved by the directors on 18th February 2002

PARAID MACHINING COMPANY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST DECEMBER 2001

	Note	2001 £	2000 £
TURNOVER		474,771	356,469
Cost of sales		<u>275,546</u>	<u>216,666</u>
GROSS PROFIT		199,225	139,803
Administrative expenses		<u>128,080</u>	<u>130,448</u>
OPERATING PROFIT	2	71,145	9,355
Interest payable		10,725	9,711
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>60,420</u>	<u>(356)</u>
Tax on profit/(loss) on ordinary activities	4	(10,371)	4
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>50,049</u>	<u>(352)</u>
Equity dividends paid		10,000	12,000
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>40,049</u>	<u>(12,352)</u>
Balance brought forward		(11,213)	<u>1,139</u>
Balance carried forward		<u>28,836</u>	<u>(11,213)</u>

PARAID MACHINING COMPANY LIMITED**BALANCE SHEET****31ST DECEMBER 2001**

	Note	2001 £	£	2000 £	£
FIXED ASSETS					
Tangible assets	5		45,734		1,769
CURRENT ASSETS					
Stocks		15,049		4,950	
Debtors	6	<u>2,665</u>		<u>5,902</u>	
		17,714		10,852	
CREDITORS: Amounts falling due within one year	7	<u>(33,512)</u>		<u>(22,734)</u>	
NET CURRENT LIABILITIES			<u>(15,798)</u>		<u>(11,882)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>29,936</u>		<u>(10,113)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	9		1,100		1,100
Profit and Loss Account			<u>28,836</u>		<u>(11,213)</u>
SHAREHOLDERS' FUNDS / (DEFICIENCY)			<u>29,936</u>		<u>(10,113)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 18th February 2002 and are signed on their behalf by:



MRS H SCHOLES
Director

PARAID MACHINING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - 10% of original cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2001	2000
	£	£
Staff pension contributions	6,765	5,384
Depreciation	3,805	234
Loss on disposal of fixed assets	-	99
	<u> </u>	<u> </u>

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Aggregate emoluments	<u>27,926</u>	<u>26,678</u>

4. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2001	2000
	£	£
Corporation Tax based on the results for the year at 20% (2000 - 20%)	10,371	-
Adjustment in respect of previous years:		
Corporation Tax	-	(4)
	<u>10,371</u>	<u>(4)</u>

PARAID MACHINING COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2001

5. TANGIBLE FIXED ASSETS

	Plant & Machinery
	£
COST	
At 1st January 2001	2,226
Disposals	<u>47,770</u>
At 31st December 2001	<u>49,996</u>
DEPRECIATION	
At 1st January 2001	457
Charge for the year	<u>3,805</u>
At 31st December 2001	<u>4,262</u>
NET BOOK VALUE	
At 31st December 2001	<u>45,734</u>
At 31st December 2000	<u>1,769</u>

6. DEBTORS

	2001	2000
	£	£
Prepayments and accrued income	<u>2,665</u>	<u>5,902</u>

7. CREDITORS: Amounts falling due within one year

	2001	2000
	£	£
Amounts owed to group undertakings	14,829	20,218
Corporation Tax	10,370	-
Accruals and deferred income	<u>8,313</u>	<u>2,516</u>
	<u>33,512</u>	<u>22,734</u>

8. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

PARAID MACHINING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2001

9. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
250,000 Ordinary A Shares shares of £1.00 each	250,000	250,000
5,000 Ordinary B shares shares of £1.00 each	5,000	5,000
	<u>255,000</u>	<u>255,000</u>

Allotted, called up and fully paid:

	2001		2000	
	No.	£	No.	£
Ordinary A Shares shares	1,000	1,000	1,000	1,000
Ordinary B shares shares	100	100	100	100
	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>